

more than 10 percent, by count, of such olives that weigh less than 1/82 pound each; and

(ii) For olives of any designation except the extra large size, not more than 5 percent, by count, of such olives may weigh less than 1/75 pound each;

(2) With respect to variety group 1 olives of the Ascolano, Barouni, and St. Agostino varieties, the individual fruits shall each weigh not less than 1/105 pound, except that

(i) For olives of the large size designation, not more than 25 percent, by count, of such olives may weigh less than 1/105 pound each including not more than 10 percent, by count, of such olives that weigh less than 1/116 pound each; and

(ii) For olives of any designation except the large size, not more than 5 percent, by count, of such olives may weigh less than 1/105 pound each;

(3) With respect to variety group 2 olives, except the Obliza variety, the individual fruits shall each weigh not less than 1/140 pound, except that

(i) For olives of the small size designation, not more than 35 percent by count, of such olives may weigh less than 1/140 pound each including not more than 7 percent, by count, of such olives that weigh less than 1/160 pound each; and

(ii) For olives of any designation except the small size, not more than 5 percent, by count, of such olives may weigh less than 1/140 pound each;

(4) With respect to variety group 2 olives of the Obliza variety, the individual fruit shall each weigh not less than 1/127 pound, except that

(i) For olives of the medium size designation, not more than 35 percent, by count, of such olives may weigh less than >1/127 pound each including not more than 7 percent, by count, of such olives that weigh less than 1/135 pound each; and

(ii) For olives of any designation except the medium size, not more than 5 percent, by count, of such olives may weigh less than 1/127 pound each.

[31 FR 12635, Sept. 27, 1966, as amended at 33 FR 15632, Oct. 23, 1968; 36 FR 24795, Dec. 23, 1971; 48 FR 54212, Dec. 1, 1983; 52 FR 38224, Oct. 15, 1987; 52 FR 49346, Dec. 31, 1987; 57 FR 36353, Aug. 13, 1992; 59 FR 38106, July 27, 1994; 59 FR 55341, Nov. 7, 1994]

§932.153 Establishment of grade and size requirements for processed olives for limited uses.

(a) *Grade.* On and after August 1, 1996, any handler may use processed olives of the respective variety group in the production of limited-use styles of canned ripe olives if such olives were processed after July 31, 1996, and meet the grade requirements specified in paragraph (a)(1) of §932.52 as modified by §932.149.

(b) *Sizes.* On and after August 1, 1996, any handler may use processed olives in the production of limited-use styles of canned ripe olives if such olives were harvested after August 1, 1996, and meet the following requirements:

(1) The processed olives shall be identified and kept separate and apart from any olives harvested before August 1, 1996.

(2) Variety Group 1 olives, except the Ascolano, Barouni, or St. Agostino varieties, shall be of a size which individually weigh at least 1/105 pound: *Provided*, That no more than 35 percent of the olives in any lot or subplot may be smaller than 1/105 pound.

(3) Variety Group 1 olives of the Ascolano, Barouni, or St. Agostino varieties shall be of a size which individually weigh at least 1/180 pound: *Provided*, That no more than 35 percent of the olives in any lot or subplot may be smaller than 1/180 pound.

(4) Variety Group 2 olives, except the Obliza variety, shall be of a size which individually weigh at least 1/205 pound: *Provided*, That not to exceed 35 percent of the olives in any lot or subplot may be smaller than 1/205 pound.

(5) Variety Group 2 olives of the Obliza variety shall be of a size which individually weigh at least 1/180 pound: *Provided*, That not to exceed 35 percent of the olives in any lot or subplot may be smaller than 1/180 pound.

[61 FR 40510, Aug. 5, 1996]

§932.154 Handler transfer.

(a) Except as hereinafter provided in paragraph (b) of this section, Form COC-6 "Report of Interhandler Transfer" shall be completed by the transferring handler for all lots of processed, but not packaged, olives transferred to another handler within the area and

for all lots and sublots of natural condition olives transferred to another handler within the area or shipped to destinations outside the area except fresh market outlets. For natural condition and processed, but not packaged, olives transferred between handlers within the area, two completed copies of said form, signed by the transferring handler, shall accompany the lot or subplot to the receiving handler who shall certify on both copies as to receipt of the olives and forward one copy to the committee within 10 days following receipt of the olives. For natural condition olives transferred by a handler to a destination outside the area, except fresh market outlets, two copies of said form shall be completed by the transferring handler with the words "Outside the Area" included in the upper right corner of the form and one copy shall be returned to the committee within 10 days following transfer of the olives. The completed form shall contain at least the following information: (1) Name and address of both the transferor and transferee; (2) date of transfer; (3) condition (natural, processed but not packaged); (4) weight, number and size of each type of container; (5) variety; and (6) other identification (undersize olives, culls, style, etc.).

(b) Undersize or cull olives that are transferred from one handler to another and for which the transferring handler desires credit toward satisfaction of his obligation under § 932.51(a)(2) need only be accompanied by two copies of Form COC-5, report of limited and undersize and cull olives inspection and disposition: *Provided*, That such transfers are carried out under the supervision of the Inspection Service.

(c) No handler may ship any lot or subplot of natural condition olives to a destination outside the area, except fresh market outlets, unless such olives have first been size-graded and meet the disposition and holding requirements applicable under paragraphs (a)(2) and (4) of § 932.51. The size of such transferred olives shall be verified, prior to transfer, by certification issued to the transferring handler by the appropriate inspection service (Federal or Federal-State Inspection

Service or the Processed Products Branch, USDA).

[31 FR 12636, Sept. 27, 1966, as amended at 36 FR 24795, Dec. 23, 1971; 49 FR 34440, Aug. 31, 1984; 49 FR 44448, Nov. 7, 1984]

§ 932.155 Special purpose shipments.

(a) The disposition of packaged olives covered by § 932.152(d) which are not reprocessed in accordance therewith shall be in conformity with the applicable provisions of this section.

(1) Under supervision of the Inspection Service, such packaged olives may be disposed of for use in the production of olive oil or dumped.

(2) Such packaged olives may be disposed of to a charitable organization for use by such organization; and any handler who wishes to so dispose of olives shall first file a written application with, and obtain written approval thereof from, the committee. Each such application shall contain at least: (i) The name and address of the handler and the charitable organization; (ii) the physical location of the charitable organization's facilities; (iii) the quantity in cases, the variety, size, can size, and can code of the packaged olives; and (iv) a certification from the charitable organization that such olives will be used by the organization and will not be sold.

(b) Prior to approval of any such application, the committee shall make such investigation as it deems necessary to verify the information therein. The committee may deny any application if it finds that the required information is incomplete or incorrect, or has reason to believe that the intended receiver is not a charitable organization, or that the handler or the organization has disposed of packaged olives contrary to a previously approved application. The committee shall notify the applicant and the organization in writing of its approval, or denial, of the application. Any such approval shall continue in effect so long as the packaged olives covered thereby are disposed of consistent therewith. The committee shall notify the handler and the organization of each such termination of approval. The handler shall furnish the committee upon demand such evidence of disposition of